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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte JOHN SNYDER

Appeal 2008-4598
Application 10/776,400[1]
Technology Center 2100

Decided:[2] May 12, 2009

Before JOSEPH L. DIXON, ST. JOHN COURTENAY III, and CAROLYN D. THOMAS, *Administrative Patent Judges.*

THOMAS, *Administrative Patent Judge.*

DECISION ON APPEAL

I. STATEMENT OF THE CASE

Appellant appeals under 35 U.S.C. § 134 from an Office Action twice-rejecting claims 1-21 mailed January 25, 2007, which are all the

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[1] Application filed February 11, 2004. The real party in interest is XAware, Inc.

[2] The two-month time period for filing an appeal or commencing a civil action, as recited in 37 CFR § 1.304, begins to run from the decided date shown on this page of the decision. The time period does not run from the Mail Date.

claims remaining in the application. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

A. INVENTION

Appellants invented a system and method for providing a text to XML transformer. A processor executes a transformer program and converts an input text document into an XML document. The XML document may not contain every element that was in the input text. (Spec.15, Abstract.)

B. ILLUSTRATIVE CLAIMS

The appeal contains claims 1-21. Claims 1, 14, and 19 are independent claims. Claims 1, 14 and 19 are illustrative:

> 1. A text to XML transformer, comprising:
>
> a transformer program having a plurality of compound statement [sic, statements]; and
>
> a processor for executing the transformer program and converting an input text document into an XML document wherein the XML document does not contain every element that was in the input text.
>
> 14. A process for converting text to XML, comprising the steps of:
>
> a) defining a transformer program having a plurality of compound statements, wherein one of the plurality of compound statements contains a command that matches a regular expression and takes an action;
>
> b) receiving a text stream;
>
> c) executing the transformer program to convert the text stream into an XML stream.

19. A text to XML transformer, comprising:

a wizard for creating a transformer document;

the transformer document having a plurality of compound statements formed by a text to XML computer language; and

a processor for executing the transformer document and converting an input text document into an XML document.

C. REFERENCE

The sole reference relied upon by the Examiner in rejecting the claims on appeal is as follows:

Ye	US 2004/0083242 A1	Apr. 29, 2004 (Filed Oct. 20, 2003)

D. REJECTIONS

The Examiner entered the following rejections which are before us for review:

(1) Claims 1-21 are rejected under 35 U.S.C. § 102(e) as being anticipated by Ye; and

(2) Claims 1-21 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter.

II. PROSECUTION HISTORY

Appellant appealed from the Final Rejection and filed an Appeal Brief (App. Br.) on May 8, 2007. The Examiner mailed an Examiner's Answer (Ans.) on August 24, 2007. No Reply Brief is found in the record.

III. FINDINGS OF FACT

The following findings of fact (FF) are supported by a preponderance of the evidence.

Specification

1. In the Specification, "Fig. 3 is an example of text file 40 in accordance with one embodiment of the invention. The text file 40 is an address book in a comma delimited text file" (6:8-9).

2. The Specification discloses that "[t]he XML file 18 may contain less than all the elements in the text file 16. This is accomplished by a match command in the executable statements" (5:7-9).

3. In the Specification, "FIG. 5 is an example of a transformer document or program 44 that converts the text file 40 into the XML file 42" (6:10-12).

Ye

4. Ye discloses that "[t]he data file named herein typically refers to the file encoded as printable characters, including the text formats understandable by machines such as the inquiry results list of a database, EDI messages, the recognized results by scanning imagines [sic] in a table process system, . . ." (¶ [0004]).

5. Ye discloses that "[t]he XML converter transform the data in the file having simple and delimitated format. For example, it requires the data file to be processed must consist of records, where each record is a sequence of fields. The records and fields are delimitated by separators" (¶ [0005]).

6. Ye discloses "the data transforming device transforms one or more source data files **1101-110N** having the first format into one or more objective data files **1201-120N**, by employing the data locating device shown in **FIG. 1**"" (¶ [0170).

7. In Ye "[t]he format of the object file called herein may be any specific text format or the unified data format in a network such as XML" (¶ [0181]).

8. Ye discloses that "[t]he data extracting unit 404 extracts the data the position of which has been determined. The data transforming unit transforms the extracted data into data in the objective data file" (¶ [0173]).

9. In Ye, "FIG. 4 is a display screen showing the data locating according to the data locating device and method of the invention" (¶ [0145]).

10. Ye discloses "[a] tool bar for use by the user to determine the type of a data unit" (¶ [0147]).

11. Ye discloses providing "a data transforming apparatus and method based on text markup matching . . ." (¶ [0013]).

IV. PRINCIPLES OF LAW

In rejecting claims under 35 U.S.C. § 102, "[a] single prior art reference that discloses, either expressly or inherently, each limitation of a claim invalidates that claim by anticipation." *Perricone v. Medicis Pharmaceutical Corp.*, 432 F.3d 1368, 1375 (Fed. Cir. 2005), citing *Minn. Mining & Mfg. Co. v. Johnson & Johnson Orthopaedics, Inc.*, 976 F.2d 1559, 1565 (Fed. Cir. 1992). "Anticipation of a patent claim requires a finding that the claim at issue 'reads on' a prior art reference." *Atlas Powder*

Co. v. IRECO, Inc., 190 F.3d 1342, 1346 (Fed Cir. 1999) ("In other words, if granting patent protection on the disputed claim would allow the patentee to exclude the public from practicing the prior art, then that claim is anticipated, regardless of whether it also covers subject matter not in the prior art.") (internal citations omitted).

Bilski

The Court of Appeals for the Federal Circuit's recent *In re Bilski* decision clarified the bounds of patent-eligible subject matter for process claims. *See In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008) (en banc). The *en banc Bilski* court held that "the machine-or-transformation test, properly applied, is the governing test for determining patent eligibility of a process under § 101." *Id.* at 956. The *Bilski* court further held that "the 'useful, concrete and tangible result' inquiry is inadequate [to determine whether a claim is patent-eligible under § 101.]" *Id.* at 959-60.

The *Bilski* court, following Supreme Court precedent,[3] enunciates the

[3] The *Bilski* court, citing numerous Supreme Court precedents, stated: "The Supreme Court … has enunciated a definitive test to determine whether a process claim is tailored narrowly enough to encompass only a particular application of a fundamental principle rather than to pre-empt the principle itself. A claimed process is surely patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing. *See Benson*, 409 U.S. at 70 ("Transformation and reduction of an article 'to a different state or thing' is the clue to the patentability of a process claim that does not include particular machines."); *Diehr*, 450 U.S. at 192 (holding that use of mathematical formula in process "transforming or reducing an article to a different state or thing" constitutes patent-eligible subject matter); *see also Flook*, 437 U.S. at 589 n.9 ("An argument can be made [that the Supreme] Court has only recognized a process as within the statutory definition when it either was tied to a

machine-or-transformation test as follows: "A claimed process is surely patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing." *Id.* at 954; *see also In re Comiskey*, 499 F.3d 1365, 1377 (Fed. Cir. 2007) (discussing the same test from *Diehr*, 450 U.S. 175).

While the *Bilski* court declined to elaborate on the "machine" branch of the test, it did provide some guidance on the issue. The court explains that "the use of a specific machine or transformation of an article must impose meaningful limits on the claim's scope to impart patent-eligibility" and "the involvement of the machine or transformation in the claimed process must not merely be insignificant extra-solution activity." *Bilski*, at 961-62 (internal citations omitted). As *Comiskey* recognized, "the mere use of the machine to collect data necessary for application of the mental process may not make the claim patentable subject matter." *Comiskey*, 499 F.3d at 1380 (citing *In re Grams*, 888 F.2d 835, 839-40 (Fed. Cir. 1989)).

Nominal recitations of structure in a method claim do not convert an otherwise ineligible claim into an eligible one. *Bilski*, at 957. *See also Benson*, 409 U.S. at 68-69 (comparing *O'eilly v. Morse*, 56 U.S. (15 How.) 62 (1854), to *The Telephone Cases*, 126 U.S. 1 (1888) - the Court explained that Morse's eighth claim was disallowed because it failed to recite any

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particular apparatus or operated to change materials to a 'different state or thing'"); *Cochrane v. Deener*, 94 U.S. 780, 788 (1876) ("A process is … an act, or a series of acts, performed upon the subject-matter to be transformed and reduced to a different state or thing."). *Bilski*, at 954. *See Diamond v. Diehr*, 450 U.S. 175 (1981); *Parker v. Flook*, 437 U.S. 584 (1978); *Gottschalk v. Benson*, 409 U.S. 63 (1972); *Cochrane v. Deener*, 94 U.S. 780 (1876).

machinery, however, Bell's claim was patentable because it recited specified conditions for using a particular circuit; *In re Schrader*, 22 F.3d 290, 294 (Fed. Cir. 1994) (holding a simple recordation step in the middle of the claimed process incapable of imparting patent-eligibility under § 101); *In re Grams*, 888 F.2d at 839-40 (holding a pre-solution step of gathering data incapable of imparting patent-eligibility under § 101).

Turning to the "transformation" branch of the "machine-or transformation" test, claims reciting incidental transformations or extra-solution activity also do not convert an otherwise ineligible claim into an eligible one. To permit such a practice would exalt form over substance and permit artful claim drafting to circumvent the limitations contemplated by section 101. *See Diehr*, 450 U.S. at 191-92 ("insignificant post-solution activity will not transform an unpatentable principle into a patentable process.").

In *Benson*, the Supreme Court reviewed several of its precedents dealing with process patents before drawing the conclusion that "[t]ransformation and reduction of an article 'to a different state or thing' is the clue to the patentability of a process claim that does not include particular machines." *Benson*, 409 U.S. at 70. The Court explained that several cases - *Corning v. Burden*, 15 How. (56 U.S.) 252 (1854) (tanning and dyeing), *Cochrane,* 94 U.S. 780 (manufacturing flour), *Tilghman v. Proctor*, 102 U.S. 707 (1880) (manufacturing fat acids), and *Expanded Metal Co. v. Bradford*, 214 U.S. 366 (1909) (expanding metal) - could all fairly be read to involve physical transformation of some article or material

to a different state or thing. *Benson*, 409 U.S. at 69-70. *See also Bilski*, at 962-63 (discussing physical transformation and reviewing Supreme Court precedents including *Diehr* (process of curing rubber)).

V. ANALYSIS

Grouping of Claims

102(e) rejection

In the Brief,

Group I: For claims 1, 6-8, 13, 14, 17, 19, and 21, Appellant repeats the same argument made for claim 1 (App. Br. 10, 12-16). We will, therefore, treat claims 6-8, 13, 14, 17, 19, and 21 as standing or falling with claim 1.

Group II: Appellant separately argues claims 2 and 3.

Group III: For claim 18, Appellant repeats the same argument made for claim 4 (App. Br. 12, 15). We will, therefore, treat claim 18 as standing or falling with claim 4.

Group IV: For claim 16, Appellant repeats the same argument made for claim 5 (App. Br. 12, 14). We will, therefore, treat claim 16 as standing or falling with claim 5.

Group V: Appellant separately argue claim 9.

Group VI: For claim 11, Appellant repeats the same argument made for claim 10 (App. Br. 13). We will, therefore, treat claims 11 as standing or falling with claim 10.

Group VII: For claims 15 and 19, Appellant repeats the same argument made for claim 12 (App. Br. 13-15). We will, therefore, treat claims 15 and 19 as standing or falling with claim 12.

Group VIII: Appellant separately argues claim 20.

See 37 C.F.R. § 41.37(c)(1)(vii). *See also In re Young,* 927 F.2d 588, 590 (Fed. Cir. 1991).

The Anticipation Rejection

Group I – Claims 1, 6-8, 13, 14, and 17

We first consider the Examiner's rejection of claims 1, 6-8, 13, 14, 17, 19, and 21 under 35 U.S.C. § 102(e) as being anticipated by Ye.

Appellant contends that "[a]ccording to Wikipedia a text file is a computer file which contains only ordinary textual characters with essentially no formatting. This is consistent with the specification of the present application, see FIG. 3 which is an example of a text file. Ye et al clearly disclose a system for converting 'formatted data' see FIG 2 of Ye and associated text" (App. Br. 10).

The Examiner found that Ye discloses that "[t]he prior technologies for locating and transforming the data in a data file includes the XML Converter developed by the Unidex company. The XML Converter transforms the data in the data file having simple and delimitated format" (Ans. 4).

Issue: Has Appellant shown that the Examiner erred in finding that Ye discloses a system for converting an input text file to an XML document?

We determine the scope of the claims in patent applications not solely on the basis of the claim language, but upon giving claims their broadest reasonable construction in light of the specification as it would be

interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). The properly interpreted claim must then be compared with the prior art.

Appellant argues that the claimed "input text document" is consistent with Wikipedia's definition and as such has essentially no formatting (App. Br. 10). However, we find Appellant's reliance upon extrinsic evidence to be misplaced. To the contrary, "the specification is 'the single best guide to the meaning of a disputed term.'" *Phillips v. AWH Corp.*, 415 F.3d 1303, 1321, 75 USPQ2d 1321, 1332 (Fed. Cir. 2005) (en banc) (citation omitted). Here, we find that the present Specification includes embodiments of a text file that describes the "input text document" as having at least two formats (2:13-14)) and that the text file 16 may contain structured or semi-structured text or fixed format messages (5:14-15). We find that such disclosures suggest multiple formats for the input text file. It is this language in the Specification that aids us in construing the claim, as Wikipedia definitions can be unreliable. As such, we find that the broadest reasonable construction of an "input text document," in light of Appellant's Specification, would encompass any document that contains textual characters plus end of line marks, including formatted documents. Contrary to Appellant's argument, a document having essentially no formatting is inconsistent with the present Specification. Having properly construed the claimed "*input text document*" we now move on to comparing the interpreted claim with the prior art.

The Specification describes an example of a text file as including a comma delimited address book (FF 1). Similarly, Ye discloses a file as being encoded as printable characters, including text formats (FF 4). Ye

further discloses that the data file processed can consist of records, where each record is a sequence of fields, and the records and fields are delimitated by separators (FF 5). Thus, our reading of Ye's data file having records and fields is consistent with Appellant's input text document including a comma delimited address book. Therefore, the claimed *input text file* reads on Ye's data file. Thus, we find that Ye discloses "input text files," as set forth in the claimed invention.

Appellant further contends that "Ye does not disclose the use of a 'compound statements'" (App. Br. 11).

The Examiner found that "the originally filed specification is directed toward *'executable statements'* and that *'compound statements'* was part of an amendment file 10/3/2006. . . . and hence the examiner has concluded that a compound statement is the same as an executable statement" (Ans. 8)

Issue: Has Appellant shown that the Examiner erred in finding that based on Appellant's Specification, the newly claimed "compound statements" are the same as previously claimed "executable statements?"

Given that Appellant has not distinguished "compound statements" from "executable statements" in the Specification, and the term "compound statements" is not even found in the original Specification, we adopt the Examiner's findings that such limitations are the one and the same. Therefore, we find that the claimed *compound statements* read on executable statements, which we find to be inherently found in every program. Ye discloses using an XML converter (FF 5), and the Examiner found that the XML converter is a program which is inherently written with executable statements (Ans. 8). We agree. Thus, Ye discloses a transformer program having compound statements.

Appellant also contends that "[c]laim 1 furthermore requires that the 'XML document does not contain every element that was in the input text.' . . . [In Ye] paragraph 17 & 18 do not discuss not presenting the data just selecting a 'different data unit' [sic]" (App. Br. 10).

The Examiner found that "Ye recites: 'when the type of the data unit is not 'Text', selecting a different data unit as the location reference for the data unit'" (Ans. 4).

Issue: Has Appellant shown that the Examiner erred in finding that Ye discloses *converting an input text document into XML document wherein the XML document does not contain every element that was in the input text*?

Ye discloses an XML converter (FF 5), transforming source files into objective files (FF 6), and that the objective file can be an XML document (FF 7). Ye further discloses that an extracted portion of the original file is transformed into the objective file (FF 8). In other words, Ye takes an extracted portion (i.e., not every element) of the original file and transforms it into an XML objective file. Furthermore, Appellant's Specification discloses that one may obtain an XML file that contain less than all the elements of the text file by using a match command (FF 2). Similarly, Ye discloses using text markup matching (FF 11). Thus, Ye disclose transforming less than all the elements of the text file. As such, we find that the claimed *wherein the XML document does not contain every element that was in the input text* reads on Ye's transformation of an extracted portion of the original text file and Ye's use of text markup matching.

Therefore, we find that the Examiner has set forth a sufficient initial showing of anticipation, and we find that Appellant have *not* shown error in the Examiner's rejection of illustrative claim 1. Therefore, we affirm the rejection of claim 1 and of claims 6-8, 13, 14, 17, 19, and 21, which fall therewith.

Group II - Claims 2, 3, 4, 5, 16, and 18

Appellant contends that "Claim **2** requires that the input file be a structured document. . . . 'an example of structured text is a comma delimited file.' Ye is directed to formatted data files" (App. Br. 12). Appellant further contends that "Claim **3** requires that the input file be a semi-structured document. . . . 'an example of semi-structured text is a windows initialization file used by computers.' This is clearly not discussed in Ye" (App. Br. 12). Appellant also contends that "Claim **4** [and claim 18] requires that the input file have at least two formats. . . . This is clearly not discussed in Ye" (App. Br. 12). Appellant contends that "Claim **5** [and claim 18] requires a field separator command. The Examiner points to a field separator . . ., but does not show a field separator command" (App. Br. 12).

The Examiner found that Ye discloses "the invention has an advantage of being capable to transform data in the data files having various structures" (Ans. 5).

Issue: Has Appellant shown that the Examiner erred in finding that Ye discloses a structured text document and/or a semi-structured text document?

Ye disclose several document formats including formats having records and fields delimitated by separators (FF 4-5). Although Appellant argues specific embodiments of "structured" and "semi-structured" text documents, claims 2 and 3 are not limited to such embodiments. Instead, all that is needed is any teachings showing structured or semi-structured formats. We decline to read the limitation of "a comma delimited file" and/or the limitation of "a windows initialization file" into the claims. "[L]imitations are not to be read into the claims from the specification." *In re Van Geuns*, 988 F.2d 1181, 1184 (Fed. Cir. 1993) (citing *In re Zletz*, 893 F.2d 319, 321 (Fed. Cir. 1989)).

Here, the Examiner has directed our attention to various formats in Ye. Therefore, we find that the claimed "structured text document;" "semi-structured text document;" "two formats;" and "field separator commands" all read on Ye's data files having various structures including those formats having records and fields delimitated by separators, e.g., a comma (FF 4-5).

Therefore, we find that the Examiner has set forth a sufficient initial showing of anticipation, and we find that Appellant have *not* shown error in the Examiner's rejection of claims 2, 3, 4, 5, 16 and 18. Therefore, we affirm the rejection of claim 2, and claims 3, 4, 5, 16, and 18, which fall therewith.

Group III - Claim 9

Appellant contends that "Claim 9 requires the 'text to XML commands' include a tree hierarchy. First of all Ye never discloses any 'text to XML commands.' The Examiner's suggestion . . . that XML inherently

has a tree structure while correct is irrelevant – this says nothing about the 'text to XML commands'" (App. Br. 12).

The Examiner found that "Ye discloses generating an XML document from an input stream, as described above. XML documents are processed by a parsing process that inherently builds a tree hierarchy structure (Ans. 6).

Issue: Has Appellant shown that the Examiner erred in finding that Ye discloses text to XML commands that include a tree hierarchy command?

In essence, Appellant concedes that XML inherently has a tree structure, but contends that Ye fails to disclose *text to XML commands* that include a tree hierarchy (App. Br. 12). Ye clearly discloses an XML converter (FF 5). As such, it appears that such an XML converter would likely include text to XML commands, particularly when the input is a text document. The difficulty, however, that we have with the anticipation rejection before us is that there is no certainty from the Ye reference itself as to what specific program is being used to carry out the aforementioned text to XML commands. Ye merely discloses that "the invention may be implemented by any kind of software" (¶ [0203]). While it seems logical that Ye's software would include a tree hierarchy command, our reviewing court has determined that "[i]nherency … may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient." *In re Robertson*, 169 F.3d 743, 745, (Fed. Cir. 1999). The Examiner has left it up to us to speculate and has not presented an alternative obviousness rejection of claim 9. We decline to engage in speculation in deciding this appeal.

Therefore, we find that the Examiner has *not* set forth a sufficient initial showing of anticipation, and we find that Appellant has shown error in the Examiner's rejection of claim 9. Therefore, we reverse the rejection of claim 9.

Group IV - Claims 10 and 11

Appellant contends that "[t]he Examiner points to claims 10 & 11 [of] Ye. Neither of these claims mention streaming or a synonym for 'streaming', which is a well defined term in computer science. Not all conversion systems are capable of handling streaming data and there is no suggestion in Ye that he can handle streaming data" (App. Br. 13).

The Examiner found that Ye discloses that known computer, Web server, network and/or the software running in these facilities may implement the invention (Ans. 11). The Examiner further found that in Ye's background section the cited patent 4,965,763 positively recites the streaming data features (*Id.*).

Issue: Has Appellant shown that the Examiner erred in finding that Ye discloses an input text document that is a streaming text?

We adopt the Examiner's findings that Ye discloses known ways for locating and transforming data files. As noted by the Examiner, in the background section of Ye, Ye specifically directs attention to patent 4,965,763 which discloses input data streams that are transformed. We view these teachings as being incorporated by reference. Appellant has not provided any arguments to dispute such findings.

Therefore, we find that the Examiner has set forth a sufficient initial showing of anticipation, and we find that Appellant has not shown error in the Examiner's rejection of claims 10 and 11. Therefore, we affirm the rejection of claim 10 and 11, which falls therewith.

Group V - Claims 12, 15, and 19

Appellant contends that "Claim 12 requires a wizard to define the transformer program. The Examiner points to paragraph 77. However, this paragraph does not discuss a transformer program or a wizard to help setup the transformer program" (App. Br. 13).

The Examiner found that "Appellant defines a wizard as 'a wizard has a number of queries that are used to defined [sic] the transformer program. The examiner contends that Ye discloses this feature [in paragraph 77]" (Ans. 12).

Issue: Has Appellant shown that the Examiner erred in finding that Ye discloses a wizard that has a number of queries that are used to define the transformer program?

As noted above by the Examiner, Ye discloses enabling a user to set variables. Ye further discloses a display screen with a tool bar that can be used by a user to determine the type of a data unit (FF 9-10). In other words, Ye discloses a mechanism (display unit with tool bar) whereby a number of queries are set by the user. As such, we find that the claimed "wizard" that has a number of queries that are used to define the transformer program reads on Ye's display unit with tool bar.

Therefore, we find that the Examiner has set forth a sufficient initial showing of anticipation, and we find that Appellant has not shown error in the Examiner's rejection of claims 12, 15, and 19. Therefore, we affirm the rejection of claim 12, and claims 15 and 19, which fall therewith.

Group VI - Claims 20 and 21

Appellant contends that "Claim 20 requires a section command. Ye never discusses a section command and the Examiner has not attempted to point to any part of Ye to show this" (App. Br. 16).

The Examiner found that "the claims are directed toward a process and a system for the system of claims 1-13 and are rejected using the same rationale" (Ans. 7).

Issue: Has Appellant shown that the Examiner erred in finding that Ye discloses wherein the text to XML computer language includes a section command to define a section?

Here, we find that the Examiner has not clearly established and we do not readily find where Ye discloses a "section command" as claimed. The Examiner has merely made a broad statement that the rationale made for other rejections are applicable here. However, we can only rule on the basis of the evidence that is provided in support of the rejection, and here we find the Examiner's showing is deficient. The allocation of burdens requires that the USPTO produce the factual basis for its rejection of an application under 35 U.S.C. § 102. *In re Piasecki*, 745 F.2d 1468, 1472 (Fed. Cir. 1984) (citing *In re Warner*, 379 F.2d 1011, 1016 (CCPA 1967)). The one who bears the initial burden of presenting a *prima facie* case of unpatentability is the Examiner. *In re Oetiker*, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

Given that the Examiner has not presented a *prima facie* case, we reverse the rejection of claim 20 and of claim 21, which stands therewith.

§101 Rejection

The Examiner found that "[t]he claimed invention is directed to a transformer program (independent claims 1 and 14) or a transformer document (independent claim 19) that is executed by a processor. The claims lack the necessary physical articles or objects to constitute a machine or a manufacture within the meaning of § 101" (Ans. 7).

Appellant contends that "[c]orporations spend millions of dollars trying to solve the problem of moving data from one system to another system – therefore this is clearly a useful invention (App. Br. 8). Appellant further contends "[s]oftware is just a way of temporarily wiring an electric circuit (computer) to perform a specific task. Electrical circuits are machines" (*Id.*).

Appellant further contends:

> The Patent Office has failed to grasp the simple fact that a computer program run by a general purpose computer could just as easily be a hardwired circuit. There is no question that a hardwired circuit is patentable. Clearly the Patent Office is still wasting everyone's time and money by not acknowledging that computer implemented **Products** are clearly statutory. A computer running a program that does not function to provide just "printed matter[,]" is clearly a **Machine** as defined by the statute 35 USC 101.

(App. Br. 8-9.)

Issue: Has Appellant shown that the Examiner erred in concluding that the claimed invention is directed towards non-statutory subject matter?

For starters, Appellant passionately argues that their invention is clearly useful (App. Br. 8). However, we note that while Appellant's claims may yield a beneficial result in transforming data from one form to another, a proper section 101 analysis is not driven solely by usefulness. As noted *supra,* the *Bilski* court has held that "the 'useful, concrete and tangible result' inquiry is inadequate [to determine whether a claim is patent-eligible under § 101.]" *Id.* at 959-60. Instead, the *Bilski* court has enunciated the "machine-or-transformation" test. The court explained that "the use of a specific machine or transformation of an article must impose meaningful limits on the claim's scope to impart patent-eligibility" and "the involvement of the machine or transformation in the claimed process must not merely be insignificant extra-solution activity." *Bilski,* at 961-62 (internal citations omitted). In this case, the Examiner found that the claims lack the necessary physical articles or objects to constitute a machine or a manufacture (Ans. 7). At most, we find nominal recitations of structure in the claims.

Nominal recitations of structure in a method claim do not convert an otherwise ineligible claim into an eligible one. *Bilski,* at 957. Claim 1 recites a "text to XML transformer, comprising: a transformer program having a plurality of compound statements; and a processor for executing the transformer program and converting an input text document into an XML document . . . ." Claim 19 recites similar features. Claims 1 and 19 appear to be claiming a "text to XML transformer" which we read on a "software program" that, when executed, implements a series of program steps (i.e., a process) to effect the text to XML transformation. Bearing that in mind, the recited "processor" in claims 1 and 19 is not a component of the transformer

program itself. Rather, the claimed "processor" is merely intended to be used to execute the program steps or functions of the transformer program. Therefore, claims 1 and 19 are only *nominally* connected to a "machine" under § 101 because of the recited "processor."

The issue here is whether the "processor", alone or in combination with the program, is such that the claim as a whole defines a patent-eligible "machine" under § 101. Claims 1 and 19 recite a generic "processor" for executing the transformer program. The processor is shown as box 12 in Figure 1. There does not appear to be anything special about the processor:

> The XML transformer 10 has a processor 12 that executes a transformer program 14 that has a plurality of executable statements or script 15.

Spec. 5:4-6. The Specification does not disclose a new hardware design. The processor is not in means-plus-function format, but even if it was, the only structure shown is a block diagram of a processor that would include any and every possible processor for performing the functions. Therefore, claims 1 and 19 cover any and every possible digital computer for executing the transformer program. Therefore, we conclude that claims 1 and 19 do not define a specific patent-eligible "machine" under § 101.

In addition, in claims 1 and 19 there is no transformation of any underlying tangible subject matter to a different state or thing. Note the reasoning in *In re Comiskey*, 499 F.3d 1365, 1377-79 (Fed. Cir. 2007). Instead, there is merely a transformation from one digital data form to another. These considerations flow through to the dependent claims 2-13 and 20-21 as well.

Accordingly, we hold that claims 1 and 19 are directed to non-statutory subject matter and are unpatentable under 35 U.S.C. § 101. For similar reasons, claims 2-13 and 20-21 fall with claims 1 and 19.

Regarding claim 14, we similarly find that claim 14 is not a section 101 "process," because it does not include a particular machine, nor does it transform subject matter to a different state or thing. A statutory "process" must meet at least one of those two requirements.

Regarding the particular machine requirement, we find that Appellant's claim 14 fails to encompass any "particular machine" embodiment for converting text to XML. To the contrary, the method steps of claim 14 can reasonably be interpreted to encompass a human being performing these steps. Supporting this interpretation are the facts that both the preamble and the body of Appellant's claim 14 do not include any recitation of a structure or apparatus for performing these steps.

Appellant has failed to draft claim 14 as including any type of computer or computer-implemented device. In this case, we do not even find a nominal recitation of structure in claim 14. Even if it may be fairly stated that the claimed method may produce a concrete, useful, and tangible result, the result is still operated upon very abstract data constructs or data structures themselves, apparently by software elements or otherwise.

As such, we find that claim 14 fails to include a particular machine such that the method qualifies as a "process" under § 101. Similarly, we also find that claims 15-18 fail to include a particular machine such that the method qualifies as a "process" under § 101 for the reasons presented above.

Regarding the transformation to a different state or thing requirement, we find that the step in claim 14 of "executing the transformer program to convert the text stream into an XML stream" is far different from the transformation of subject matter as contemplated by the Supreme Court cases, because here Appellant's claim 14 calls for only the transformation of data from one form to another.

While Appellant's claim 14 may yield a beneficial result with respect to converting data into another form, a proper section 101 analysis is not driven solely by usefulness. Here, we do *not* have a transformation of physical subject matter but merely an abstract expression that is created from converting data from text to XML, which does not require any tangible output or result. These steps describe nothing more than the manipulation of data constructs, the paradigmatic "abstract idea." *See In re Warmerdam*, 33 F.3d 1354, 1360 (Fed. Cir. 1994). When considered as a whole, we conclude that claim 14 involves no more than the manipulation of abstract ideas. *See id.*

In other words, the steps of claim 14 do not transform physical subject matter to another state or thing. Instead, we are merely looking at transforming one data representation into another data representation. Similarly, we find that claims 15-18 do not transform a physical subject matter to another state or thing. Thus, we find that Appellant's method of converting text to XML fails to recite a statutory process in claims 14-18.

Accordingly, we hold that claim 14 is directed to non-statutory subject matter and is unpatentable under 35 U.S.C. § 101. For similar reasons, claims 15-18 fall with claim 14.

VI. CONCLUSIONS

We conclude the following:

(1) Appellants have *not* shown that the Examiner erred in rejecting claims 1-8, 10-19, and 21 under 35 U.S.C. § 102(e).

(2) Appellants have shown that the Examiner erred in rejecting claims 9 and 20 under 35 U.S.C. § 102(e).

(3) Appellants have *not* shown that the Examiner erred in rejecting claims 1-21 under 35 U.S.C. § 101.

VII. DECISION

In view of the foregoing discussion:

(1) We affirm the rejection of claims 1-8, 10-19, and 21 under 35 U.S.C. § 102(e);

(2) We reverse the rejection of claims 9 and 20 under 35 U.S.C. § 102(e); and

(3) We affirm the rejection of claims 1-21 under § 101.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED

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